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The Marine Spy Scandal: "It's a Biggie"

Two guards accused of betraying the Moscow embassy to Soviet agents face espionage charges

In Moscow as in other foreign capitals, the trim, blue-clad Marine is as much a fixture of the U.S. embassy as the flag. He stands in the reception area, resplendent in crimson-trimmed trousers, his hat bearing its gold corps insignia, a .38-cal. revolver at his side—the very emblem of U.S. security and uprightness. His duties bespeak the nation's belief in his incorruptibility: after hours at major U.S. embassies, he and a Marine buddy go through the empty building securing classified documents that may have been left out, locking safes and disposing of the "trash," often top-secret papers, in the diplomatic "burn bag." They also check on each other. In the 38 years since the U.S. began posting Marines to guard duty, the system had seemed infallible.

Alas, it was not. Last week Corporal Arnold Bracy, 21, a former guard at the Moscow embassy, became only the second "ambassador in blue" ever to be arrested on espionage charges. The first was Sergeant Clayton Lonetree, 25, Bracy's accomplice at the Moscow embassy, who was apprehended three months ago. Lonetree is charged with 24 felonies involving security breaches, including two counts of espionage, which carry a possible death penalty. Bracy is being held in a Quantico, Va., brig until the accusations against him are clarified.

The Marine Corps charged last week that, as buddies on embassy night duty from July 1985 to March 1986, the two guards regularly let Soviet agents into the empty embassy late at night "to peruse" sensitive areas, including the embassy's communications center, for up to four hours at a time. Bracy, the corps' charge sheet claims, served as lookout and shut down security alarms set off by the Soviets. "These guys actually escorted the Soviets around the building," said a Pentagon official.

Following Bracy's arrest, the case rapidly spiraled into a spy scandal of major proportions. "It's a biggie," said one White House official. "A real biggie." Soviet penetration of embassy communications has been so extensive, officials fear, that U.S. negotiating positions were compromised before the Reykjavik summit last October. The security damage has also seriously hampered preparations for Secretary of State George Shultz's trip to Moscow April 13—and could cast a pall over prospects for a summit this year.

President Reagan was sufficiently concerned to order two briefings on the

case, including a high-level Friday afternoon meeting that included Cabinet members. Shultz did not even wait to consult with Reagan before taking the unprecedented step of shutting down all sensitive electronic communications with the Moscow embassy. U.S. diplomatic posts around the world are now transmitting Moscow-bound traffic to Frankfurt, where select courier teams are on call to hand-carry material to the Soviet capital. Within the embassy, secretaries have been forbidden to use any machine that emits electronic signals, including electric typewriters and word processors. Even the Xerox machine has been shut down. Shultz has already asked Congress for a special \$25 million appropriation to re-

telligence committees ordered broad investigations into the entire 1,400-man Marine Security Guard battalion to which Bracy and Lonetree belonged.

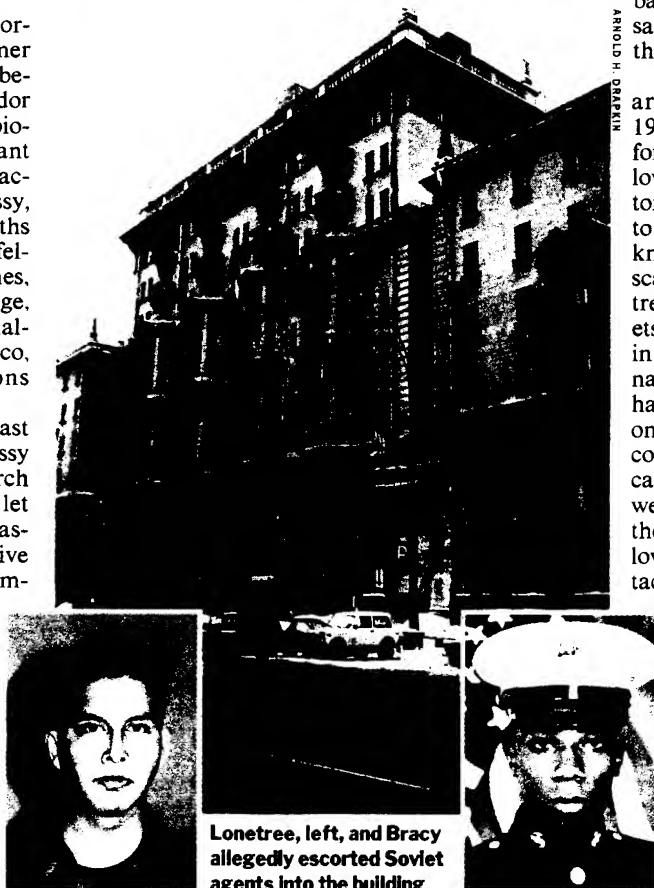
Among other charges, the Marine Corps alleges that Lonetree and Bracy provided the Soviets with the names, addresses and telephone numbers of "covert U.S. intelligence agents" in the Soviet Union. They offered embassy blueprints, floor plans and office assignments to the Soviets, turned over the contents of confidential burn bags and lied to security personnel about why alarms had been activated in the communications center.

In addition, the Marine Corps charges that Lonetree provided Soviet agents with the floor plans of the U.S. embassy in Vienna. Lonetree's lawyer says his client will "absolutely deny these allegations."

Lonetree, who is from St. Paul, arrived in Moscow in September 1984, and allegedly started working for the KGB soon after he began a love affair with an embassy translator. She later introduced the Marine to her "Uncle Sasha," an operative known as Aleksei Yefimov. The scandal began to unfold when Lonetree, feeling pressure from the Soviets, surrendered to U.S. authorities in Vienna last December. Bracy, a native of Queens, N.Y., is said to have had a sexual relationship with one of the embassy's Soviet staff, a cook. Both of the women who became involved with the Marines were attractive; it is well known that the KGB uses such women—"swallows," in the trade—to lure contacts. "We're not talking about bag ladies here," said a White House aide.

The U.S. suspects that when Bracy and Lonetree shared night watch, Soviet agents were able to bug the most secure of the embassy's communications equipment and place intercept devices in highly sensitive cryptographic information, enabling them to read State Department messages before they were put in code. "There's lots of grounds

for assuming the worst case in this instance," explained a White House source. Based on what Bracy and Lonetree have revealed, U.S. officials are convinced that for more than a year, beginning in mid-1985, the Soviets read every important classified communication issued by the embassy; the assumption is that the intercept devices are still functioning. The security penetration could have other long-term consequences: the Soviets may have planted "trap doors" in the



Lonetree, left, and Bracy allegedly escorted Soviet agents into the building

place the security systems for the embassies in Moscow and Vienna, where Lonetree also worked.

The Administration has launched what State Department Spokesman Charles Redman called a "full-scale counterintelligence investigation." All 28 Marines assigned to Moscow are being replaced. State Department security officials will accompany the new guards on their rounds. Secretary of Defense Caspar Weinberger and the House and Senate in-

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equipment that could cripple American communications with the embassy in the event of a crisis.

The two Marines have confirmed that KGB agents were easily able to open normal embassy safes, "often in less than half an hour," according to one investigating officer. The Soviets also gained access to the two most sensitive areas in the embassy: the bubble and the vault. The bubble, a supposedly bugproof structure hung inside a standard room, is routinely used for top-secret conversations. The vault is a highly secure area, enclosed with heavy steel and special locks, in which CIA officers operate. Navy investigators were dismayed to learn that Soviet agents cracked the locks on both bubble and vault in under two hours.

In retrospect, the security breach seems to explain some of the Soviets' recent diplomatic behavior. During last fall's summit in Iceland, U.S. negotiators were disturbed by the Soviets' uncannily well-prepared responses to U.S. points. "We thought at the time that they were remarkably sophisticated in anticipating our positions," says a State Department official. Now, says another, the U.S. realizes that throughout Reykjavik, "we played poker with the Soviets, and they were looking at a mirror over our shoulders." Government sources are equally convinced that the Soviets had inside information last August during the crisis surrounding the Kremlin's arrest of U.S. Journalist Nicholas Daniloff.

The arrests come at a particularly awkward time for the State Department. The situation casts a cloud over the upcoming arrival in Moscow of new U.S. Ambassador Jack Matlock. Even worse is the effect on the Shultz trip. A new bubble is being built in the embassy in anticipation of the Secretary's arrival April 13, but communications technicians are not sure that security can be guaranteed.

Low-level security breaches are notoriously difficult to detect and control, as the Navy learned from the Walker spy case, when a yeoman aboard the aircraft carrier *Nimitz* also stole classified materials from burn bags. Indeed, it is by no means certain that the Moscow operation ended with the departure of Lonetree and Bracy. Investigators wonder how the two Marines could have carried on love affairs unnoticed within the embassy's close confines. They suspect that the relationships were known but tolerated by others who may have had similar experiences. In fact, Bracy was demoted from sergeant to corporal for violating rules that specifically forbid fraternization with Soviet citizens.

The technological damage that Lonetree and Bracy reportedly wrought will be extremely difficult to remedy. Repairing the damage that has been done to the pride and spirit of the Marine Corps could prove no less difficult.

—By Amy Wilentz.

Reported by Bruce van Voorst/Washington